



ORIGINAL

consume

Education and advocacy since 1971



0000111842

Arizona Corporation Commission

DOCKETED

MAY 20 2010

May 19, 2010

Ernest G. Johnson, Executive Director  
Arizona Corporation Commission, Commissioners Wing  
1200 West Washington  
Phoenix, AZ 85007-2996

RE: Docket No. T-20664A-09-0148

Dear Mr. Johnson:

It has come to our attention that Arizona is considering whether to extend the state's Lifeline program to include wireless telecommunications service, and that a petition from TracFone Wireless is under review.

Consumer Action<sup>1</sup> and the National Grange<sup>2</sup> believe that all carriers able to meet the service obligations of Lifeline should be permitted to serve Lifeline customers so that low income Americans have the same access to wireless and competitive services as do other consumers. For your review, we have attached a copy of our filing in support of TracFone's ETC proposal before the Federal Communications Commission.

Thank you.

Respectfully submitted,

Ken McEldowney, Executive Director  
Consumer Action

Leroy Watson, Legislative Director  
National Grange

<sup>1</sup> Founded in 1971, Consumer Action is a national non-profit education and advocacy organization serving more than 10,000 community-based organizations with training, educational modules, and multi-lingual consumer publications.

<sup>2</sup> The National Grange is the nation's oldest general farm and rural public interest organization. Founded in 1867, today the National Grange advocates on public policy issues affecting Grange members affiliated with nearly 2700 local, county and state Grange chapters located in farming and rural communities in 40 states.

RECEIVED  
2010 MAY 20 P 3:37  
ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

DOCKETED BY

# Consumer Action

Education and Advocacy Since 1971



Marlene H. Dortch  
Office of the Secretary  
Federal Communications Commission  
445 12th Street, SW  
Washington, DC 20554

August 14, 2007

**Re: Federal Communications Commission [CC Docket No. 96-45]  
*Support for the petition by TracFone Wireless, Inc. for Designation as an Eligible  
Telecommunications Carrier (ETC) in the states of VA, FL, MA and NY***

Dear Ms. Dortch:

Telecommunications services have a profound impact on modern living. From connecting us to family and friends, to helping us obtain work, manage daily routines or call for emergency assistance, it is clear that these services are a necessity in everyday life. Given the importance of phone service, it's astonishing that FCC data reveals that approximately two-thirds of all eligible Lifeline households in the U.S. do not participate in the Lifeline support program. Only 6.8 million out of 21 million eligible Americans currently receive Lifeline support for their telephone service, based on 2005 forecasts.

As organizations dedicated to protecting and helping consumers, Consumer Action<sup>1</sup> and the National Grange of the Order of Patrons of Husbandry<sup>2</sup> believe that all carriers able to meet the service obligations of Lifeline should be permitted to serve Lifeline customers so that low-income Americans have the same access to wireless and competitive services as do other consumers. That is why we are writing today to support the petition by TracFone Wireless, Inc. for Designation as an Eligible Telecommunications Carrier (ETC) in the states of Virginia, Florida, Massachusetts and New York (FCC Docket 96-45).

Wireless telephone service has become an essential for most Americans as well as their families and friends overseas. However, for low-income Americans struggling to pay their monthly bills for landline service, wireless service may be unaffordable. In addition, a negative credit history

---

<sup>1</sup> Consumer Action ([www.consumer-action.org](http://www.consumer-action.org)) is a national non-profit consumer education and advocacy organization founded in San Francisco in 1971. Consumer Action serves consumers, community-based agencies and its members nationwide by advancing consumer rights, referring consumers to complaint-handling agencies and training community group staff on the effective use of its educational materials. Consumer Action also advocates for consumers in the media and before lawmakers and compares prices on telephone services, credit cards and bank accounts.

<sup>2</sup> The National Grange of the Order of Patrons of Husbandry (National Grange) is the oldest general farm and rural public interest organization in the United States. Founded in 1867, today the Grange represents nearly individual members affiliated with 2800 local, county and state Grange chapters across rural America. More than 70 percent of all local Grange chapters are located in communities of 5,000 persons or less.

or no fixed address can make even traditional land line service hard to obtain. In many instances, a wireless phone would be more practical—and appropriate—than a wire line phone, allowing for the freedom of mobility and convenience of modern day calling features.

As the future of communications moves to wireless, the disadvantaged members of our society should not be left behind. Payphones are almost extinct—and the ones that are available to consumers do not offer features that so many of us rely on today, voice and text messaging. Low-income consumers are experiencing not just a digital divide, but also a telephone fracture—without access to prevalent wireless technologies, they are not able to participate fully in society.

The FCC has stated that TracFone's request for ETC designation for "Lifeline-only services... would not affect the high-cost fund support." The FCC has said, "**Any increase in the size of the fund would be minimal and is outweighed by the benefit of increasing participation in the Lifeline program, furthering the statutory goal of providing access to low-income consumers.**"

In this filing, Consumer Action and the National Grange strongly reiterate this FCC statement, offer our support for this concept and urge that the FCC not only approve the petition for regulatory forbearance and ETC designation, but also establish separate eligibility requirements and procedures for ETC designation for those carriers seeking to participate only in Lifeline. Low-income Americans deserve to have the same access to wireless and competitive services as do other consumers.

Prepaid wireless service is a good option for low-income consumers because there are no long-term contracts, no credit checks and no early termination penalties or late payment fees. With prepaid service, people pay only for the services they can afford. The proposal by TracFone Wireless, Inc. to offer Lifeline prepaid service would allow more low-income people to afford wireless service. Low-income consumers could enjoy the same services that other consumers currently receive with cell phones, including voice mail and other essential features.

This proposal would help to fulfill an important social imperative—ensuring that all Americans are able to communicate by telephone with family, support networks, employers and emergency services. From our viewpoint, consumers are not concerned with whether the telephone service they receive is through resellers or facilities-based providers. They are concerned with access, quality and price. The TracFone proposal offers Lifeline-qualified customers all three. We hope that your action in the near future to approve the pending TracFone ETC lifeline-only application will be approved quickly and that it will encourage other prepaid wireless providers to take the same initiative to pursue Lifeline ETC applications.

Sincerely,

Linda Sherry  
Director, National Priorities  
**Consumer Action**  
(202) 544-3088

Leroy Watson  
Legislative Director  
**National Grange of the Order of Patrons of Husbandry**  
(202) 628-3507 x114